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### Respondents.

**: ORDER INSTITUTING PROCEEDINGS  
: PURSUANT TO SECTIONS 6(c) AND 6(d)  
: OF THE COMMODITY EXCHANGE ACT,  
: AS AMENDED, MAKING FINDINGS AND  
: IMPOSING REMEDIAL SANCTIONS**

<sup>1</sup> RIIL and RICL consent to the use of these findings in this proceeding and in any other proceeding brought by the Commission or to which the Commission is a party; provided, however, that RIIL and RICL do not consent to the use of the *Offer*, or the findings consented to in the *Order*, as the sole basis for any other proceeding brought by the Commission, other than in a proceeding in bankruptcy or to enforce the terms of this *Order*. Nor do RIIL and RICL consent to the use of the *Offer* or this *Order*, or the findings consented to in the *Offer* or this *Order*, by any other party in any other proceeding.

### III.

The Commission finds the following:

#### A. SUMMARY

Regulation 4.22(c) requires commodity pool operators ("CPOs") to distribute to pool participants and file with the National Futures Association ("NFA") their commodity pools' annual reports within 90 days of the end of the pools' fiscal year. Pursuant to Regulation 4.22(f)(2), 17 C.F.R. § 4.22(f)(2), a CPO for a fund-of-funds may claim an extension of an additional 60 days. For the fiscal years ending March 31, 2002 and March 31, 2004, RIIL and RICL, two registered CPOs, failed file with the NFA all of their commodity pools' annual reports in a timely manner, in violation of Regulation 4.22(c).

#### B. RESPONDENTS

**Russell Investments Ireland Limited**, formerly know as Frank Russell Investments (Ireland) Limited, is located in , Tacoma, Washington. RIIL was registered with the Commission as a CPO from June 28, 1996 through August 6, 2005.

**Russell Investments Cayman Ltd.**, formerly known as Frank Russell Investments (Cayman) Ltd., is located in Tacoma, Washington. RICL was registered with the Commission as a CPO from July 11, 1996 through August 6, 2005.

#### C. FACTS

RIIL and RICL are CPOs for commodity pools that operate as a fund and as funds-of-funds. The fiscal year for the commodity pools operated by RIIL and RICL ends on March 31. Accordingly, RIIL and RICL were required to file with the NFA their commodity pools' annual reports on or around June 30 (for the one fund) or August 31 (for the fund of funds) of that year. For the fiscal year ending March 31, 2002 and March 31, 2004, RIIL and RICL failed to distribute to pool participants and file with the NFA in a timely manner any of their commodity pools' annual reports.<sup>2</sup>

#### D. LEGAL DISCUSSION

Regulation 4.22(c), in relevant part, requires that each CPO registered or required to be registered under the Commodity Exchange Act must distribute an annual report to each participant in each pool that it operates, and must electronically submit a copy of the annual report and key financial balances from the annual report to the NFA within 90 calendar days after the end of the pool's fiscal year.

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<sup>2</sup> During 2002 and 2004, RIIL was known as Frank Russell Investments (Ireland) Ltd., while RICL was known as Frank Russell Investments (Cayman) Ltd.

- D. Stipulate that the record upon which this *Order* is entered shall consist solely of the findings contained in this *Order* to which the Respondents have consented; and
- E. Consent, solely on the basis of the *Offer*, to entry of this *Order* that:
1. makes findings by the Commission that RIIL and RICL violated Regulation 4.22(c), 17 C.F.R. § 4.22(c) (2007);
  2. orders RIIL and RICL to cease and desist from violating Regulation 4.22(c);
  3. orders RIIL and RICL, jointly and severally, to pay a civil monetary penalty in the amount of one hundred and twenty thousand dollars (\$120,000) within ten (10) days of the date of the entry of this *Order*.
  4. orders RIIL and RICL to each comply with their undertaking consented to in their *Offer* and set forth below in Part VI of this *Order*.

Upon consideration, the Commission has determined to accept the Respondents' *Offer*.

## VI.

### ORDER

**Accordingly, IT IS HEREBY ORDERED THAT:**

A. RIIL and RICL shall cease and desist from violating Regulation 4.22(c), 17 C.F.R. § 4.22(c) (2007);

B. RIIL and RICL shall jointly and severally pay a civil monetary penalty in the amount of one hundred and twenty thousand dollars (\$120,000) within ten (10) days of the date of the entry of this *Order*. RIIL and RICL shall pay their civil monetary penalty by making electronic funds transfer, U.S. postal money order, certified check, bank cashier's check, or bank money order. If payment is to be made by other than electronic funds transfer, the payments shall be made payable to the Commodity Futures Trading Commission, and sent to the address below:

Commodity Futures Trading Commission  
Division of Enforcement  
ATTN: Marie Bateman – AMZ-300  
DOT/FAA/MMAC  
6500 S. MacArthur Blvd.  
Oklahoma City, OK 73169  
Telephone: 405-954-6569

- D. Stipulate that the record upon which this *Order* is entered shall consist solely of the findings contained in this *Order* to which the Respondents have consented; and
- E. Consent, solely on the basis of the *Offer*, to entry of this *Order* that:
1. makes findings by the Commission that RIIL and RICL violated Regulation 4.22(c), 17 C.F.R. § 4.22(c) (2007);
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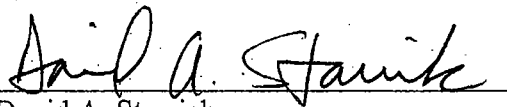
If payment by electronic transfer is chosen, the Respondents shall contact Marie Bateman or her successor at the above address to receive payment instructions and shall fully comply with those instructions. RIIL and RICL shall accompany payment of the penalty with a cover letter that identifies RIIL and RICL, and the name and docket number of this proceeding. The Respondents shall simultaneously transmit copies of the cover letter and the form of payment to 1) the Director, Division of Enforcement, Commodity Futures Trading Commission, at the following address: 1155 21st Street, N.W., Washington, D.C. 20581, and 2) the Chief, Office of Cooperative Enforcement, Division of Enforcement, Commodity Futures Trading Commission, at the same address. In accordance with Section 6(e)(2) of the Act, 7 U.S.C. § 9a(2)(2001), if this amount is not paid in full within fifteen (15) days of the due date, RIIL and RICL shall be prohibited automatically from the privileges of all registered entities, and, if registered with the Commission, such registration shall be suspended automatically until they have shown to the satisfaction of the Commission that payment of the full amount of the penalty with interest thereon to the date of the payment has been made; and

C. RIIL and RICL shall comply with the following undertaking set forth in their Offer:

Respondents agree that neither RIIL and RICL nor any of their employees, agents, or representatives shall take any action or make any public statement denying, directly or indirectly, any finding in the *Order*, or creating, or tending to create, the impression that the *Order* is without a factual basis; provided, however, that nothing in this provision affects RIIL's and RICL's: (i) testimonial obligations; or (ii) right to take appropriate legal positions in other proceedings to which the Commission is not a party. Respondents will undertake all steps necessary to assure that all of their agents and employees under their authority and/or control understand and comply with this agreement.

The provisions of this Order shall be effective as of this date.

By the Commission.



David A. Stawick  
Secretary to the Commission  
Commodity Futures Trading Commission

Dated: September 27, 2007